

The Global Newspaper Edited and Published in Paris Printed simultaneously in Paris, London, Zurich, Hong Kong, Singapore, The Hague, Marseille, New York, Rome, Tokyo, Frankfurt.

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 33,906

10/92

PARIS, TUESDAY, MARCH 3, 1992

Antenna 8.50 P. Island 175 W. Oman 1,000 P. ...

ESTABLISHED 1887

As Home Stretch Looms in 3 States, Bush Pursues His Careful Courtship Buchanan Ads Backfired, President's Team Says

WASHINGTON — President George Bush turned his attention from Georgia on Monday, ending a primary campaign in that state that has him still struggling to shake a challenge on his conservative flank from Patrick J. Buchanan.

Clinton ignores a truce called by the other Democratic presidential candidates, who had sought to focus on Bush. Page 3.

ment among Mr. Bush's advisers and allies over how much of a problem he faces in Georgia. Many, including Representative Newt Gingrich of Georgia, project that Mr. Buchanan could win a percentage in the mid-30s, but others are projecting both better and worse showings.



A woman using a Bush-Quayle poster as a shade during a campaign rally in Savannah, Georgia.

U.S. Economy Gives Sign That Upturn Is Emerging Rise in Manufacturing And Building Drives Dollar Up, Bonds Down

NEW YORK — Signs of the long-awaited U.S. economic recovery finally appeared Monday in data about manufacturing and housing, although economists cautioned against expecting too much.

Historical Gold Mine: Party's Archives Are Opened in Moscow

MOSCOW — One of the great treasure houses of 20th-century history — the central archives of the Soviet Communist Party — opened its doors to the public on Monday.

Access to most files of the party's International Department, which operated as a kind of shadow Foreign Ministry, is also prohibited under a new 30-year rule designed to protect state secrets.

The Kremlin wall was like an iron curtain for us," said Boris Semikhov, an amateur Russian historian, who is researching how Kremlin leaders rose through the party apparatus.

They cite a major political controversy in Britain last month over seemingly innocuous documents released by the center to The Sunday Times of London.

Researchers will be able to comb through catalogues and then request access to the original documents from archivists.

Access will probably be granted if the documents in question are more than 10 years old, an archivist said. For documents less than 10 years old, only the decisions of Central Committee departments will be available — without the supporting documentation.

Kiosk Baker Weighs Israel Penalty

WASHINGTON (AP) — U.S. Secretary of State James A. Baker 3d is proposing a formula that would cut Israel's existing foreign aid as a penalty for completing work already begun on settlements in the occupied territories.

The Sinister Finesse of Germany's Neo-Nazi Leader

BERLIN — Ewald Althaus, the most important figure in Germany's growing neo-Nazi movement, is an impressive, even frightening sight. At 6 feet 4 inches, wearing his blond hair in a tight crew cut, dressed in black from sweater to high leather boots, he draws stares as he walks along Berlin's busy Kurfürstendamm.

In Toronto, a New Trove of Hemingway's Work

TORONTO — A wealth of previously unpublished or unattributed newspaper articles written by Ernest Hemingway and revealing the young writer's emerging style has been unearthed by the Toronto Star, a newspaper for which Hemingway worked in the 1920s.

Shanghai Hotel Glut Is Boon to Tourists

SHANGHAI — The elegant wood paneling in the lobby of the Novotel hotel here has a freshly polished gleam to it, and an upside-down character hangs on a wall to bring good luck to guests.

Shanghai Hotel Glut Is Boon to Tourists

There has never been a worse time to be a hotel owner in China, or a better time to be a guest.



Hemingway's passport photo in 1921, before he went to Paris.

Market data including Dow Jones, The Dollar, and various stock indices.

Continued text from the Hemingway article: "He continued: 'A bulky man, thickened by age, wearing a brown tweed suit, a funny, flat cap, his face as brown as an Ojibwa, his white mustache drooping, his white eye-brows bushy, looking the tiger his pictures show him, his eyes twinkling as he talked through the smog. They stopped at the front door. 'Au revoir papa! The woman bent toward him. Clemenceau put his arms around her and kissed her. 'Au revoir, my child, see you soon.'"

Continued text from the Hemingway article: "The Star said it had found 25 articles by Hemingway that were not included in a collection of 172 of his early newspaper writings, published in

Continued text from the Germany article: "He said Germany had been 'Americanized, infected with this idea of a multicultural society, an idea that simply doesn't work.'"

Continued text from the Shanghai article: "The Novotel, for example, has a staff of 350 for 180 rooms and 40

Purchasing Management Index chart showing a reading below 50 percent indicates a general decline in business activity.

See SHANGHAI, Page 3

American Co-Discoverer of AIDS Virus Is Subject of Inquiry on Perjury and Fraud

By Philip J. Hiltz
New York Times Service

WASHINGTON — Dr. Robert Gallo, the American co-discoverer of the virus that causes AIDS and the subject of a federal inquiry in connection with that discovery, is being investigated once again, federal officials say, this time on charges of perjury and patent fraud.

Dr. Gallo and his colleagues, lawyers for the Pasteur Institute in France, where researchers also claim to be discoverers of the virus, are now seeking to reverse that agreement and recover from Washington payments of \$20 million plus future royalties.

The new inquiries have begun at a time when a longstanding federal investigation of Dr. Gallo's original discovery is nearing its end. The report of the federal investigation, which was conducted by the Office of Scientific Integrity of the National Institutes of Health, has been through various drafts.

Although Dr. Gallo is not accused of misconduct in the latest draft, Mr. Popovic is, and the conclusions are far from flattering to either scientist.

The discrepancies in the investigators' view, stemmed from "misrepresentations or falsifications of the actual methodology and data," and could not have been due merely to honest mistakes or honest differences in judgment.

The report's investigators, initially led by Suzanne Hadley of the Office of Scientific Integrity, said there were numerous false statements in the 1984 Science paper, including several about the growth of the AIDS virus in the lab, which the paper stated was continuous for over five months up to publication.

Funding for U.S. Intelligence Could Stay at Cold War Levels

WASHINGTON — Despite the demise of the Soviet Union, the administration is proposing a secret intelligence budget near Cold War levels, according to sources inside and outside the government.

Some members of Congress, which will eventually vote on the intelligence budget without revealing its contents, think the intelligence community should make cuts along the lines of those faced by the military.

John E. Pike, a space policy expert for the Federation of American Scientists, tracks intelligence spending based in part on unclassified budget items.

Yet the proposed budget for the National Reconnaissance Office, the secret Pentagon agency that deploys spy satellites, is the same as last year, Mr. Pike said.

The budget is also believed to contain, for the first time, money for the technical means to track other countries' acquisition of chemical weapons.

Mr. Gates said last year that the intelligence community must also dramatically expand human operations to ferret out information about the intentions of Third World leaders such as Saddam Hussein of Iraq.

Officials will not comment publicly on the intelligence budget. But Defense Secretary Dick Cheney, asked whether intelligence cuts would equal those in defense, said: "Let's just say Bob Gates is a happy man."

The administration's proposed budget for next year does take a bite from intelligence spending, but it is nowhere nearly proportional to the 7 percent cut in the defense budget of which it is a part, according to indications from official and private sources.

Advocates of spending cuts say that although some intelligence activities will still require expensive cover, vast amounts of information are now openly available and no longer require clandestine intelligence-gathering.

Mr. Clinton continued his attacks on Monday during a campaign stop in New Carrollton, Maryland, saying of Mr. Tsongas' ideas that the nation "tried his approach in the '80s and it failed us."

Mr. Clinton promptly seconded the motion. "Having these arguments is not destructive as long as we remember what Senator Tsongas said," he said.

Mr. Clinton said Mr. Bush "still wants to play the race card against us, and I'm telling you, the Democrats are not going to let him do it."

But one administration official says intelligence is a "force multiplier," meaning that it makes up for the smaller number of troops and weapons. To feel confident that the United States can afford to close bases and take many troops and systems off alert, the administration must be able to rely on timely intelligence, the official added.

Some lawmakers think that early warning can be provided for less money.

Mr. Gates said last year that the intelligence community must also dramatically expand human operations to ferret out information about the intentions of Third World leaders such as Saddam Hussein of Iraq.

Mr. Clinton continued his attacks on Monday during a campaign stop in New Carrollton, Maryland, saying of Mr. Tsongas' ideas that the nation "tried his approach in the '80s and it failed us."

Mr. Clinton said Mr. Bush "still wants to play the race card against us, and I'm telling you, the Democrats are not going to let him do it."

Mr. Clinton said Mr. Bush "still wants to play the race card against us, and I'm telling you, the Democrats are not going to let him do it."



Mr. Clinton greeting a child during a stop at an African Methodist Episcopal church in Atlanta.

Clinton Ignores Democrats' Truce

COLLEGE PARK, Maryland — Ignoring a day-old informal truce among the Democratic presidential candidates, Governor Bill Clinton of Arkansas continued his attacks on Paul E. Tsongas on Monday, calling the former Massachusetts senator's pro-business views a failed "1980s-style approach."

In the weekend debates, Mr. Tsongas asserted that his ideas were best for the economy and would best attract Republicans in vote Democratic in the autumn.

After a weekend of debates in preparation for the crucial round of primaries and caucuses in seven states on Tuesday, the five major Democratic contenders declared an informal cease-fire and agreed that however sharp their differences, they still preferred one another to President George Bush.

The debates were a gateway to primaries in Georgia, Colorado, Maryland and Utah and to caucuses in Washington, Minnesota and Idaho, as well as American Samoa.

Mr. Clinton continued his attacks on Monday during a campaign stop in New Carrollton, Maryland, saying of Mr. Tsongas' ideas that the nation "tried his approach in the '80s and it failed us."

Mr. Clinton said Mr. Bush "still wants to play the race card against us, and I'm telling you, the Democrats are not going to let him do it."

Directionless Philippine Communists Bare Their Fractures

By William Branigin
Washington Post Service

MANILA — As the Philippine Communist insurgency grapples with the erosion of its ideology around the world, the kidnapping of two Americans and a debate over long-range revolutionary strategy have underscored growing divisions within the movement.

Hard-line rebels of the Crispin Tagamolila Command asserted that Mr. Drown was a former U.S. Army officer who was helping the Philippine military in its counterinsurgency campaign.

Men Jan. 17 near his office in Manila's Makati financial district.

was released four months later, after the firm reportedly paid nearly \$3 million.

Other sources of controversy have been the rebel movement's practice of taxing companies and individuals in its zones of influence and its demand that candidates for the May 11 national elections buy "pernits" to campaign in rebel areas.

SEATTLE — Senator Brock Adams of Washington has given up his campaign for a second term after a newspaper quoted eight unidentified women who said he had made inappropriate sexual advances over a period of years.

TV Called 'Indecent' Is Allowed

The Associated Press

WASHINGTON — The Supreme Court issued a refusal Monday to let the government prohibit "indecent" radio and television broadcasts.

SHANGHAI: There's Plenty of Room at the Hotels

(Continued from page 1)

Taiwan tourists, who are not as free-spending as Westerners.

HEMINGWAY: His Early Work

(Continued from page 1)

novel, "The Sun Also Rises," among seven rejected Hemingway articles were he filed from New York during a visit there by Prime Minister Lloyd George of Britain in October 1923.

Where to find the warmth of Mandarin Oriental.

The Oriental, Bangkok
Mandarin Oriental, Hong Kong
Mandarin Oriental, Jakarta
Mandarin Oriental, Macau
Mandarin Oriental, Manila
Mandarin Oriental, San Francisco
The Oriental, Singapore
The Excelsior, Hong Kong

DISCOVER OUR WAY
PUENTE ROMANO
&
MARBELLA CLUB
The Leading Hotels of Marbella

INTERNATIONAL
Herald Tribune
LIVING IN THE U.S.?
NOW PRINTED IN
NEW YORK
FOR SAME DAY
DELIVERY IN KEY CITIES
TO SUBSCRIBE, CALL
1-800-882-2884
(IN NEW YORK, CALL 212-752-3890)

Where to find the warmth of Mandarin Oriental.
The Oriental, Bangkok
Mandarin Oriental, Hong Kong
Mandarin Oriental, Jakarta
Mandarin Oriental, Macau
Mandarin Oriental, Manila
Mandarin Oriental, San Francisco
The Oriental, Singapore
The Excelsior, Hong Kong
MANDARIN ORIENTAL
THE HOTEL GROUP

Where to find the warmth of Mandarin Oriental.
The Oriental, Bangkok
Mandarin Oriental, Hong Kong
Mandarin Oriental, Jakarta
Mandarin Oriental, Macau
Mandarin Oriental, Manila
Mandarin Oriental, San Francisco
The Oriental, Singapore
The Excelsior, Hong Kong
MANDARIN ORIENTAL
THE HOTEL GROUP



A Serbian militiaman standing guard Monday at one of the barricades that have paralyzed Sarajevo, the Bosnia-Herzegovina capital.

Serbian Militants Blockade Sarajevo

SARAJEVO, Yugoslavia — Serbian gunmen opposed to Bosnia-Herzegovina's independence from Yugoslavia paralyzed Sarajevo on Monday with a ring of barricades. Five people were reported killed.

Radovan Karadzic, leader of the Serbian Democratic Party in Bosnia-Herzegovina, said he had warned that a vote for secession would provoke bloodshed.

Violence in Bosnia-Herzegovina has intensified as the United Nations prepared to send a peace-keeping force of 14,000 personnel to Croatia, where a cease-fire has been in force since Jan. 3.

Podgorica, officials quoted by Tanjug said 66 percent of Montenegro's 412,000 voters took part in the poll and that 96 percent opted to stay in Yugoslavia.

At least 20 main streets and crossroads were blocked in the Bosnia-Herzegovina capital. Armed men at the barricades, built with commandeered buses and cars, fired in the air to prevent anyone from approaching. The local authorities conceded that they had lost control of the city, which has a population of 500,000.

Let this be a warning," he said. More than 6,000 people died in fighting between Croats and Serbs last year after Croatia broke away from Yugoslavia. Bosnia-Herzegovina's population of 4.3 million is 44 percent Muslim, 31 percent Serbian and 17 percent Croatian.

The situation in Bosnia-Herzegovina has been complicated by the refusal of the Serb-led Yugoslav Army, which backed an uprising by the Serbian minority in Croatia, to leave the republic.

Most Montenegrins are Christian Orthodox Slavs. The republic's ethnic Albanian and Muslim minorities largely boycotted the vote.

NAZI: A New Young Leader With Sinister Finesse

According to Interior Ministry figures and a chronicle of the attacks compiled by members of the German parliament... Mr. Althaus is not shy about spelling out his racist, anti-foreigner, anti-Semitic program for bringing Germany's postwar democracy to an end. He opposes... Mr. Althaus does not specifically deny a role in the violent acts against foreigners that have occurred throughout Germany in recent months.

duced him to revisionists and neo-Nazis around the world. Government sources say Mr. Althaus has traveled frequently to the United States, Canada and South America... Mr. Althaus wants very much to be that leader, and some observers said he might succeed.

Violence Worsens in Disputed Enclave

By Fred Hiatt Washington Post Service MOSCOW — Ethnic violence escalated on the edges of the former Soviet Union on Monday, with deaths in Moldova and worsening combat between Armenia and Azerbaijan.

conflicted on the number of deaths and injuries as a unit of Moldovan police was disarmed and arrested by ethnic Russian militia.

Ex-Soviet States Need More Aid, EC Official Says

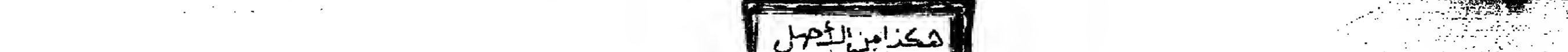
BRUSSELS — The European Community's top foreign affairs official said Monday that the West was not giving enough assistance to the former Soviet republics and that contributions should be increased.

The foreign ministers also agreed to take part in a United States, German and Soviet-sponsored plan to redeploy former Soviet nuclear scientists in civilian jobs.

Prince Charles Admonishes EC

PARIS — Prince Charles, on a visit celebrating British-French friendship, said Monday that excessive bureaucratic regulation was spreading through the European Community like an uncontrollable bacteria.

"It certainly frightens me, and all other people in my country who find that life is not worth living unless you have a choice of all the gloriously unhygienic things which mankind — especially the French portion of it — has lovingly created."

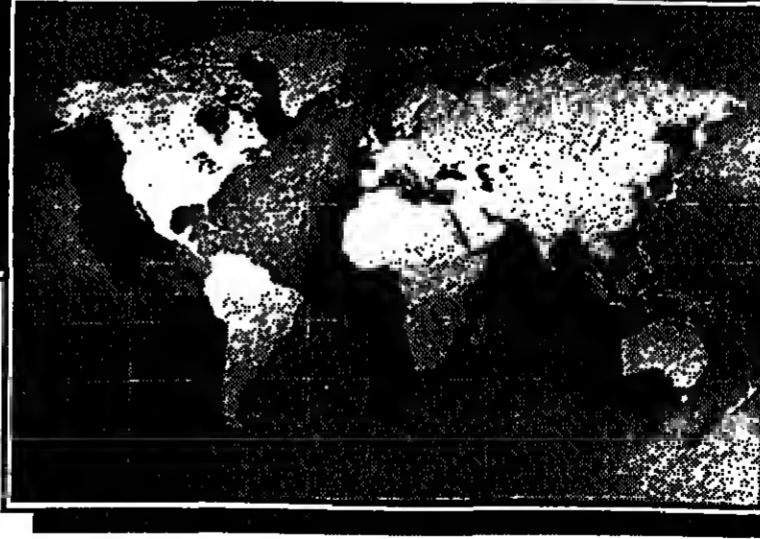


© MCI International, Inc. 1992

Advertisements on the right margin, including 'HAT MAKERS', 'First Lady', 'Gowns and...', 'Popular Smithsonian...', 'With a No...', and 'CLIP A...', 'ON CAL...', 'UNITE'.

ON MARCH 18TH, 1991 MCI INTRODUCED AMERICA'S BIGGEST BREAKTHROUGH IN LONG DISTANCE SAVINGS.

NOW IT APPLIES TO EVERYONE HERE TOO.



If you're interested in getting the savings of MCI's Friends & Family™ program, we'd be happy to map it out for you.

USA® to reach them. Add this to MCI CALL USA's already low rates and it's even more valuable.



Style

STYLE MAKERS

First Ladies: Gowns and Roles Popular Smithsonian Exhibition Reopens, With a New Approach

WASHINGTON — For decades, it was among the signature exhibits, one of the things visitors went to see when they "did" the Smithsonian: the Hope Diamond; the Spirit of St. Louis; the first ladies' gowns.

They were arrayed at the National Museum of American History, 42 of them, creamy satin and beaded damask, quietly crumbling from dust and sunlight and the ravages of gravity, but beautiful nonetheless.

"For half the population who visited the Smithsonian, for many years this was the only place they ever saw themselves as actors in American history," says Edith Mayo, curator of "First Ladies: Political Role and Public Image," the permanent exhibition opening at the end of March.

The old First Ladies Hall that it replaces was closed four and a half years ago, and the public has been grumbling ever since. The inaugural garb of the last seven presidents' wives, on interim display, proves scant compensation. "Is this all?" disappointed museumgoers demand. "Where are the gowns?"

Finally, here they are, saved from decay by a yeoman restoration effort led by the costume conservator Polly Wilman: 20 garments, some never displayed before and not all of them gowns, worn by the first ladies of the land.

The lavender velvet day dress in which Eleanor Roosevelt watched Franklin take the oath of office in 1933; the cream satin gown in which the 22-year-old fashion plate Frances Folsom ("the Princess Di of the late 19th century," Mayo says) married Grover Cleveland; the Army fatigues Barbara Bush wore while visiting troops in the Gulf.

Yet the exhibition they are part of takes such a different tack from the historical fashion show of yore that there's some trepidation too. "I'm trying to reinterpret these women and politicize them," Mayo says.

Here, in the first gallery, is a photograph of the writing desk on which well-educated Sarah Polk edited James's speeches, in an early example of the political partnership later exemplified by Rosalynn and Jimmy Carter. Here, in another of the more than 500 photographs employs, is Betty Ford stumping for the Equal Rights Amendment, which with her help became more respectable but not law. And in this glass case we see the efforts of both parties in the 1950s to woo women voters and volunteers with rhinestone jewelry. "I Like Ike" stockings and magazine articles headlined "Be a Party Girl."

"These women have taken a supportive-wife role and made it a very powerful political position," Mayo says. "Not in a straight line — you get throwbacks to earlier periods — but overall."

Her point is that, forthrightly or circuitously, in the evenings they hosted and the statements they made and even the china they selected, they advanced and sometimes influenced presidential politics.

So the exhibition, predicated on three years of research, maps out the varying functions and duties of a first lady, a role that in the past has fallen to presidents' nieces or daughters or daughters-in-law as well as to wives.

She's the United States' hostess, observer and dispenser of social ritual, promoter of culture and historic preservation. The first lady is also a campaigner, a political partner-adviser and, in recent decades, an advocate for social causes. On eight sad occasions, she's been the widow who led the United States in mourning, a role evoked by displaying the drums used at Abraham Lincoln's and John Kennedy's funerals.

Mayo's wall labels describe Pat Nixon's image as "unfocused," note the "public perception of conspicuous consumption" by Nancy Reagan (though not her extended jousting with the IRS) and recount the unease over the extent of Rosalynn Carter's involvement in her husband's policy-making.

"We didn't trash anybody," Mayo says, "but we were permitted to make historical judgments."



Contrasts: Mamie Eisenhower meets with her successor, Jackie Kennedy.



Designer Dominique Morlotti surrounded by models at the finale of his autumn-winter show for Lanvin; below, Morlotti's cocktail dress with petal skirt in organza.

At Lanvin, Dreams Are Out Dominique Morlotti's Functional Designs for Today

PARIS — A sober lesson in dressing for the recession was offered last week by Lanvin: plain suits with belts (for tightening); coats as long as the face of a debt-laden yuppie; colors somber and restrained; nothing flashy, fancy or sexy. Clothes for straitened times.

It is all part of a strategy by the house of Lanvin and its new designer, Dominique Morlotti, to move on from the image-is-all era of the 1980s.

That culminated in Lanvin hiring the avant-garde Claude Montana to create exquisite fashion sculptures in haute couture — while the house had nothing in store to sell. Montana left in January and Lanvin's president, Michel Pietrini, hired as artistic director Morlotti, who was for 10 years menswear designer at Dior.

Apart from work for theater and films, his autumn-winter collection was his first stab at skirts.

"We wanted a virgin eye," says Pietrini, who took over Lanvin in 1990. "We know, Dominique has talent, and we believe he has the capacity to adapt through his experience to modern times."

The show — three weeks in advance of the Paris ready-to-wear collections — was a company statement of a new philosophy for the 1990s, which Morlotti, 42, intelligently expresses.

"I am designing for today and for the 10 years that will close the century," he says. "I don't believe that fashion designers should intellectualize or make too artistic something that at base is functional."

"This is a period of reflection. Both men and women are thinking before they make a purchase. Consumer money that once went on clothes is now spent on leisure. People don't want to spend money for the sake of it. Therefore, we will propose products which don't go out of fashion in six months. We don't even want to show systematically every season — designers are not machines. Shows should be authentic and real. I don't want to create a revolution — rather to introduce a note of sanity. If designers only think of creativity you get a collection of dreams."

So Morlotti sent out businesslike suits in shades of gray, chestnut brown, black, dark green and plum. The nearest thing to a touch of fantasy in the daytime clothes was twin-track buttons fastening a jacket at the side, a collarless neckline cut into a star shape or a bicolor jersey dress with a trompe l'oeil effect of sweater and high-waist skirt. Jackets were fitted to the body with panels of seaming or belted at the waist. The bottom halves were classic slim-line shapes with hemlines mostly at that sensible length just above the knee. Wrap coats in teddy-bear fabrics fell to mid-calf over long slim skirts or straight and narrow pants. Although there was



Michel Pietrini, Lanvin's president.

a little unconvincing madness at night, the show was sober stuff.

"The image is based on balance and harmony," says Morlotti. "I reject all that is aggressive. When I think of the elegance of Lanvin, it is of something very subtle that you don't see from 300 meters. It doesn't come in colors that shout. It is something both functional and aesthetic. Real elegance comes from within. And a garment is not elegant on its own as an object — it becomes so when it is worn."

Jeanne Lanvin, the daughter of a concierge from Brittany, founded her house as a hat shop in Rue du Faubourg Saint-Honoré in 1890. She made her mark in the early 1920s when her designs sent a youthful girlishness and sporty freshness through the stuffy couture salons. Although she died in 1946, her spirit still hovers over her atelier in the Faubourg Saint-Honoré where, Pietrini says, he is "frightened to change the carpet."

Jeanne Lanvin was as much a pioneer as Coco Chanel in understanding the New Woman, although she always kept a sense of femininity and romance. Her styles — inspired by clothes she made for her daughter — were *jeune fille* to Chanel's *garçonne*. Yet Lanvin was also a menswear pioneer, founding the *New Woman* designer business in 1926. Pietrini says the Lanvin spirit will be translated in a range of "à la four side" — his and hers tailoring — that will be in the new 1,500-square-meter (16,000-square-foot) menswear store designed by Terence Conran and opposite Lanvin's traditional home. It opens in October, when a 300-square-meter store for women will also open in the Avenue Montaigne at the headquarters of Orcofi, the Vuitton family's luxury goods holding company headed by Henry Racamier. Orcofi bought Lanvin jointly with the cosmetics company L'Oréal for 500 million francs (about \$90 million) in 1990 when investing in luxury labels was still the rage. The subsequent period has so far showed a thumping loss.

"We had to restructure and you can't just start up by pressing a button," says Lanvin's general manager, Thierry Dufresne. "Obviously our investors have understood that you lose money for a period."

The problem was to find the designer. Coherence is the clarion call of Pietrini, who operates from Lanvin's new headquarters in Rue Blaise, in the 9th Arrondissement of Paris. There he has united under one roof Morlotti's two design teams for men and women, administration and the policymakers, who now all "breathe the same air." Pietrini cites as a new product line eyegless frames in clear "Lanvin blue" and in streamlined modern shapes — made under a new license with Essilor. Other licenses are being renegotiated, the Asian operations are being streamlined, Lanvin's two New York shops have been closed, but Dufresne says that Lanvin plans to work with U. S. stores starting in 1993.

"The most important thing for the United States is to be successful back home," he says. Much will depend on the re-launch of Arpège — one of the great classic fragrances. L'Oréal will bring back the original 1927 formula with new packaging in spring 1993. For that, Lanvin needs an image to fire the imagination and give a rocket boost to the house. This they had in Montana, whom Pietrini describes as "a very good bad choice" as designer. Since Montana retained his own company, Lanvin was unable to call on his talent for ready-to-wear or to exploit his work commercially under the terms of the contract signed by the previous Lanvin regime.

The simple tailoring had echoes of Giorgio Armani (whom Morlotti cites as an example of a menswear designer who made good in women's fashion). But Armani's plain clothes are given depth by the fantastic fabric research of his own studio and of the Italian textile industry. Morlotti's evening tuxedos are one of those things you can't send out on a Paris runway without being compared unfavorably to Yves Saint Laurent. And was Morlotti wise to pay a homage to Montana with iridescent taffeta trench coats, silver-bead embroidered T-shirts and sculpted gauzy dresses?

The overall impression was of a fashion collection designed to give women what they think they want and ought to need. Fashion's great designers work rather in the spirit of Shakespeare's King Lear when he cried: "O, reason not the need."



LIECHTENSTEIN
BUSINESS, RELAXATION
AND LEARNING
Call: +41-75-6 55 86
Stiftung Neues Lernen
FOR OUTSTANDING
GERMAN LANGUAGE TRAINING

Ski weeks
SFr. 2170,- (all inclusive)
from March 8 to 29.
PALACE HOTEL
GSTAAD
SWITZERLAND
Please call:
Phone 030/8 31 31
Telefax 030/4 33 44
The Leading Hotels of the World

ESCADA
NEW
SPRING SUMMER
COLLECTION
Marie-Martine
8, rue de Sévres, Paris 6th
Tel: (1) 42 22 18 44

Ski weeks
SFr. 2170,- (all inclusive)
from March 8 to 29.
PALACE HOTEL
GSTAAD
SWITZERLAND
Please call:
Phone 030/8 31 31
Telefax 030/4 33 44
The Leading Hotels of the World

CLIP AND SAVE ON CALLS TO THE UNITED STATES.

To save on calls to the U.S., send for an MCI Card.
Not only will you enjoy MCI's low rates and avoid excessive hotel surcharges, but you can be billed through your VISA®, MasterCard® or Eurocard®. That way, you can receive one consolidated statement every month and an itemized list from MCI detailing all your calls.
The MCI Card is a convenient way to take advantage of MCI CALL USA® service. Which means you have toll-free access to an English-speaking operator, who will put your call right through to anywhere in the 50 states.
To order your MCI Card, fill out and mail this application. The sooner you write, the quicker you'll start saving.

YES, I WANT THE SAVINGS AND CONVENIENCE OF THE FREE MCI CARD.
If you have a valid VISA, MasterCard or Eurocard, you're eligible for the free MCI Card. Just fill out the application below. Please print clearly and provide all of the information requested, in order to avoid any unnecessary delays in starting your MCI Card service.

Name: _____ MI Last _____
Mailing Address: _____
City: _____ State: _____ Zip: _____
Telephone Number Where You Can Be Reached: _____
Please charge MCI calls to my current MasterCard VISA or Eurocard (check one)
Account Number: _____ Expiration Date: _____
Signature: _____
Print Full Name: _____
Date: _____ Social Security Number: _____ - _____ - _____

Why wait to save an extra 20%? Start your Friends & Family® Calling Circle™ today. Please attach a separate piece of paper for any additional names.

Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____
Name: _____ Address: _____ City: _____ State: _____ Zip: _____

To order your MCI Card, dial the appropriate number and ask for operator 707. Australia 0014-900-125-310 Belgium 078-11-76-22 Brazil 000-814-550-1111 Chile 009-020-2337 Colombia 980-1-5118 Costa Rica 001-800-955-0925 Denmark 8001-0592 Finland 9800-101-96 France 05-90-2899 Germany 0130-8-15414 Greece 0800-12-2155 Guam 950-1022 Hong Kong 800-6543 Israel 177-150-1129 Italy 1678-79059 Japan 0031-12-2444 Korea 008-14-800-0002 Netherlands 06-022-9608 Singapore 800-1815 Sweden 020-79-3994 Switzerland 155-9638 Taiwan 0800-13-8002 United Kingdom 0800-89-2999 *Wait for second dial tone

© MCI International Inc., 1992.

For MCI Use Only: _____ Date: _____ App Code: _____ Name: _____
Mail to: MCI International, 125 Avenue des Champs-Élysées, 75008 Paris, France



INTERNATIONAL Herald Tribune

Women Are the Key

There was an air of gimmickry about a gathering in Geneva last week of 70 wives of top government leaders...

of the International Fund for Agricultural Development, "the unacknowledged backbone of the rural economy..."

Bush's Road to Rio

Cautiously but clearly, the Bush administration is changing its mind about global warming. Until now the White House hardly acknowledged any real reason for concern...

cooperatively with the rest of the world in attacking the greenhouse effect; that is what it has now done with the \$50 billion contribution...

No Panic on North Korea

Is North Korea rushing to develop nuclear arms while deceitfully fending off international inspection with promises?

amassing that plutonium unless a reprocessing plant at Yongbyon starts operating.

Swiss Second Thoughts

An experiment prompted by good intentions has failed in Switzerland. In response to the rising rate of both heroin addiction and AIDS in that country...

theft and violence in the area and almost continuous medical emergencies. Last year there were 81 drug-related deaths in the park.

Other Comment

Communist in South Africa by implication political superiority, which would have to be imposed by force.

by implication political superiority, which would have to be imposed by force.

Patient Old Egypt Can't Go On Like This

By Richard Critchfield

CAIRO—Egyptians are by and large tolerant and patient, which can seem fitting for an ancient peasant people who have lived for 6,000 years mostly on bread...

first got involved in a big way in Egypt in the early 1970s, there has been a tug-of-war between them (plus the IMF and the World Bank)...

One probably cannot exaggerate the profound spiritual force of the Islamic revival in Egypt's villages today...

ed as police (they were paid \$6 a month), which was popularly called "the revolt of the slaves."

Yet in 30 years of visiting Egypt, including several years spent in its villages in the 1970s, I cannot remember such a sense of resentment and distress bubbling below the surface...

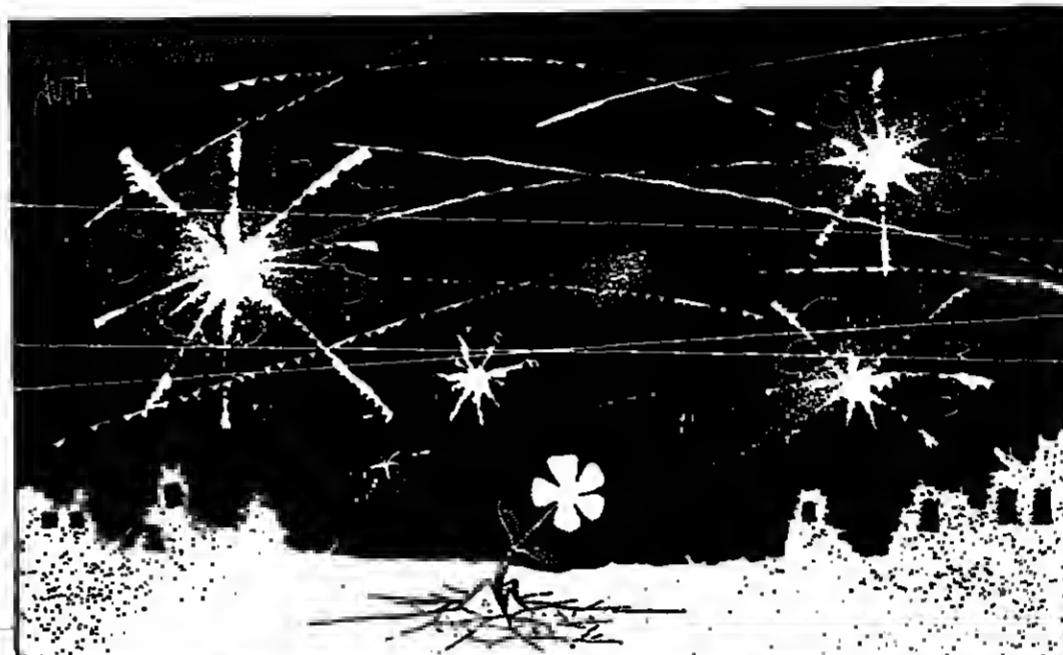
Containing The Heat at The Border

By Gideon Rafael

JERUSALEM — In the fading glow of the Cold War, remaining regional flashpoints — from Kashmir to Nagorno-Karabakh, from Croatia to Algeria — flare with increased intensity...

The relationship between the Jewish state and its Lebanese neighbor has alternated over the years between furtive attempts at alliance and outbreaks of open hostility.

Mr. Sharon's pipe dream, of course, became a nightmare. Israel lost nearly 600 soldiers; Yasser Arafat, expelled from the country, found new political ground abroad...



been assassinated; Prime Minister Menachem Begin, shattered by the Lebanon disaster, had resigned; and Mr. Sharon himself had been dismissed as defense minister.

But in the crisis last month — which involved artillery shelling by both sides, and an incursion by Israeli commandos — both sides suffered casualties...

must be killed. Neither the decision nor its implementation was a routine matter. Ely Yasser Arafat, when taking to the lifeboats in Beirut in 1982, was allowed to escape unhurt.

Hezbollah is an arm of Iranian fundamentalist expansionism. Iran's leaders want influence in the ex-Soviet Muslim republics of Central Asia; they want to stir up trouble in North Africa; and they hope to legitimize the state of Israel.

the interest neither of Lebanon nor of Israel to strengthen Hezbollah by giving it martyrs to fuel its extremism.

territorial claims do not stand in the way of peace between Israel and Lebanon, for Israel recognizes the international boundary as the boundary of peace.

Europe Could Expand Its Horizons

By Arjun K. Sengupta

BRUSSELS — At their Maastricht meeting in December, leaders of the European Community countries agreed to adopt a common development policy.

Community could provide facilities of near-associate membership by opening its markets of goods and services, if not labor, and offering structural aid to build their capabilities.

Community could provide facilities of near-associate membership by opening its markets of goods and services, if not labor, and offering structural aid to build their capabilities.

Community could provide facilities of near-associate membership by opening its markets of goods and services, if not labor, and offering structural aid to build their capabilities.

Community could provide facilities of near-associate membership by opening its markets of goods and services, if not labor, and offering structural aid to build their capabilities.

Talked Out Of Killing Some More

By Lealie H. Gelb

NEW YORK — Cyrus Vance guards himself with smiles, manners and friendliness. So the warlords of Serbia and Croatia were surely disarmed into believing that they could stare down his efforts...

But, like so many committed to conflict and killing, the warlords had misjudged and underestimated this deeply tenacious, deeply moral man.

Each time, as in Yugoslavia, he bore down on them relentlessly with the simple credo: Killing is wrong — and most decidedly not in your real interest.

Perhaps the words were not novel to the Serbs and Croats, either. But they had to negotiate something special about the man who was saying them.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

Mr. Vance's words of reason and humanity were not new to me. His life and mine have intertwined many times in politics and friendship.

كنا من الوطن

Advertisement for 'Push and Hire' and 'International Education' with various text and graphics.

OPINION

Bush and His Hatchetmen Are Pushing Israel Too Far

By William Safire

WASHINGTON — The depth of James Baker's anti-Israel animus was displayed last week when he complained to Congress...

Bush has been trying to bring Israel to heel by electing his choice of a prime minister. And now he wants Congress to help him force the Israelis to beg.

strings" from an administration that just forgave Egypt's \$7 billion debt. The loeman of Foggy Bottom is prepared to practice such deception to accomplish one goal: to limit the settlement of the West Bank to Arabs only...



LETTERS TO THE EDITOR

Pass the Baton to the UN

Regarding "American Statesmanship, Too, Is in a Recession" (Opinion, Feb. 27): It is hard to disagree with William Pfaff's view that America's increasingly erratic and irresponsible behavior in international affairs disqualifies it for world leadership...

The Indomitable Magic

Magie Johnson showed by his magnificent play in the National Basketball Association All-Star Game that you can stand up to a terrifying disease. His winning smile and indomitable spirit are far more infectious than the virus he carries.

Fighting the Good Fight

Regarding "Bush Will Meet Latins on a Leading Drug War" (Feb. 26): If Presidents Nixon, Reagan and Bush had continued President Johnson's War on Poverty, the War on Drugs would not be necessary.

How Does Genocide Occur? Do We Still Have to Ask?

By Richard Cohen

WASHINGTON — About two years before I was born, Sigmund Freud died. I mention him because, to my mind, he was more than just the father of psychoanalysis. In a sense, he also gave birth to the modern. There is a mix of parental metaphors there, but you get my point: After Freud, it was impossible not to think in, well, Freudian sorts of ways...

There is still something odd about studying the Holocaust as if it were a geological event. Scientists argue about how the dinosaurs became extinct. The debate seems so quaint so esoteric and it may never be settled. After all, no witnesses remain. But a different cataclysm hit Europe in my own time, wiped out millions, and a conference is convened to learn precisely how it happened. In this way the face studies the nose.

Letters intended for publication should be addressed "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

EDUCATION DIRECTORY

Advertisement for the Education Directory, featuring various international schools and universities such as The American University of Paris, University of Maryland, and others, with contact information and program details.

Vertical text on the left margin, including "Talked Out Of Killing Some More" and "1412: The Tavern Sign".

NYSE

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
IBM	115 1/4	+ 1/4
Microsoft	68 1/2	+ 1/2
Apple	54 1/2	+ 1/2
Oracle	48 1/2	+ 1/2
Novell	42 1/2	+ 1/2
Lotus	38 1/2	+ 1/2
McAfee	34 1/2	+ 1/2
Intuit	30 1/2	+ 1/2
Parsons	26 1/2	+ 1/2
PerkinElmer	22 1/2	+ 1/2
QED	18 1/2	+ 1/2
VeriFone	14 1/2	+ 1/2
WorldCom	10 1/2	+ 1/2
WorldView	6 1/2	+ 1/2
WorldWideWeb	2 1/2	+ 1/2

Symbol	Price	Change
Alcoa	45 1/2	+ 1/2
Aluminum	42 1/2	+ 1/2
Alumina	38 1/2	+ 1/2
Alumina	34 1/2	+ 1/2
Alumina	30 1/2	+ 1/2
Alumina	26 1/2	+ 1/2
Alumina	22 1/2	+ 1/2
Alumina	18 1/2	+ 1/2
Alumina	14 1/2	+ 1/2
Alumina	10 1/2	+ 1/2
Alumina	6 1/2	+ 1/2
Alumina	2 1/2	+ 1/2

Symbol	Price	Change
Alumina	45 1/2	+ 1/2
Alumina	42 1/2	+ 1/2
Alumina	38 1/2	+ 1/2
Alumina	34 1/2	+ 1/2
Alumina	30 1/2	+ 1/2
Alumina	26 1/2	+ 1/2
Alumina	22 1/2	+ 1/2
Alumina	18 1/2	+ 1/2
Alumina	14 1/2	+ 1/2
Alumina	10 1/2	+ 1/2
Alumina	6 1/2	+ 1/2
Alumina	2 1/2	+ 1/2

Symbol	Price	Change
Alumina	45 1/2	+ 1/2
Alumina	42 1/2	+ 1/2
Alumina	38 1/2	+ 1/2
Alumina	34 1/2	+ 1/2
Alumina	30 1/2	+ 1/2
Alumina	26 1/2	+ 1/2
Alumina	22 1/2	+ 1/2
Alumina	18 1/2	+ 1/2
Alumina	14 1/2	+ 1/2
Alumina	10 1/2	+ 1/2
Alumina	6 1/2	+ 1/2
Alumina	2 1/2	+ 1/2

Symbol	Price	Change
Alumina	45 1/2	+ 1/2
Alumina	42 1/2	+ 1/2
Alumina	38 1/2	+ 1/2
Alumina	34 1/2	+ 1/2
Alumina	30 1/2	+ 1/2
Alumina	26 1/2	+ 1/2
Alumina	22 1/2	+ 1/2
Alumina	18 1/2	+ 1/2
Alumina	14 1/2	+ 1/2
Alumina	10 1/2	+ 1/2
Alumina	6 1/2	+ 1/2
Alumina	2 1/2	+ 1/2

Symbol	Price	Change
Alumina	45 1/2	+ 1/2
Alumina	42 1/2	+ 1/2
Alumina	38 1/2	+ 1/2
Alumina	34 1/2	+ 1/2
Alumina	30 1/2	+ 1/2
Alumina	26 1/2	+ 1/2
Alumina	22 1/2	+ 1/2
Alumina	18 1/2	+ 1/2
Alumina	14 1/2	+ 1/2
Alumina	10 1/2	+ 1/2
Alumina	6 1/2	+ 1/2
Alumina	2 1/2	+ 1/2

INTERNATIONAL
Commerz Port
Port Trust in C

NEW YORK

RENTAL RATES

NYSE High-Lows

AMEX High-Lows

FOREIGN EXCHANGE RATES

COMMODITY RATES

GOLD

To our readers in Berlin
You can now receive the IHT
hand delivered to your home or office
every morning on the day of publication.
Just call us toll free at 0130 84 85 85

مكتبات الصحف

INTERNATIONAL STOCKS
Commerz Portfolio Chief Puts Trust in Computers

By Jonathan Fuerbringer
NEW YORK — Heinz J. Hochmann, chief investment officer for Commerz International Capital Management in Frankfurt, is a portfolio manager who guides his investment decisions from a computer console. So what? Is a computer jockey better than a savvy portfolio manager without a keyboard? It depends. Some computers do better than humans; some do not.
For the investor, it seems to be more a question of style. The choice is between a computer model that chooses its markets with an emphasis on history, and a human who is more likely to tinker with any data-driven decision to try for a better return.
Mr. Hochmann follows set formulas that give his portfolio a rigidity that some investors might not relish. The computer, usually, is not second-guessed. His computer's tests produce some uneven results, like those this quarter, but a fair return over time.

Wellcome Slides on Sale News

Compiled by Our Staff from Dispatches
LONDON — Shares in Wellcome PLC, maker of the AIDS drug AZT, tumbled 5 percent on Monday after its controlling foundation said it would give up majority ownership through an international stock flotation that could be worth up to \$4.5 billion (\$7.8 billion).
The Wellcome Trust said it would cut its stake from 73.6 percent to as little as 25 percent. Court approval is needed for the sale, which is not expected to take place before July.
The trust said the share sale was intended to diversify its income and did not reflect a lack of confidence in Wellcome. It said Wellcome will report results for the half-year to the end of February in line with analysts' expectations for a 30 percent rise in pretax profit to \$235 million on a 20 percent rise in sales to about \$880 million.

A Giant That Helps IBM Think Small
Asea Brown Boveri's Lean Headquarters Links Global and Local Strengths

By Roger Cohen
NEW YORK Times Service
ZURICH — In a drab suburb of this prosperous city stands a squat red-brick building that might pass for a high school. It is as unremarkable as the train station opposite.
Yet, recently, senior executives of International Business Machines Corp. have been taking a keen interest in the place as they seek to reorganize the world's largest computer business.
The five-story building is the world headquarters of ABB Asea Brown Boveri Ltd., an electrical engineering conglomerate with sales last year of about \$28 billion.
But in the offices lining the gloomy corridors of its headquarters, a mere 140 people work. If lean and mean is the corporate watchword of the 1990s, then ABB is the exemplar.

Germany Urges EC On Trade
Move Indicates Split With France Over Farm Aid

By Charles Goldsmith
BRUSSELS — Germany, whose position on farm policy is deemed crucial to stalled world trade talks, urged its European Community partners on Monday to stop foot-dragging in the negotiations.
"Any further delay in the negotiations at this stage," said Economics Minister Jürgen Möllemann, "could increase the acute danger of failure."
The German official, speaking to a meeting of EC agriculture and trade ministers, made it clear that his urgent appeal for EC action in talks under the General Agreement on Tariffs and Trade had been endorsed by Chancellor Helmut Kohl.
The Community is under pressure from the United States and other parties to the GATT talks to sharply curtail farm subsidies. But the Community, led by France and its powerful farmers' lobby, has resisted.
Germany has also more or less with France on the issue in recent years, but Mr. Möllemann's remarks were seen as evidence their positions may be diverging as the GATT talks stumple. The 24-year-old Uruguay Round of negotiations had been slated to end in December 1990.
The United States, which has grown resigned that a shift in France's position is unlikely, has viewed Germany as the pivotal player in moving the talks off dead center, a feeling enhanced this year as Germany assumed the rotating chairmanship of the Group of Seven leading industrialized countries. The G-7 leaders meet in Munich in July.
The French agriculture minister, Louis Mermeas, sought to play down differences with Germany. "We're not obliged to say exactly the same things, but there is a French-German axis that is as strong as ever," he said. "We have not capitulated."
Diplomats said Germany, Britain and Portugal were ready to accept a schedule proposed by the EC commission concerning EC subsidy commitments, but France led a majority in opposing the submission of the document to the GATT talks.

CURRENCY RATES

Table of currency rates for various countries including Australia, Canada, France, Germany, etc. with columns for currency type and rates.

INTEREST RATES

Table of interest rates for Eurocurrency deposits, 3-month, 6-month, 1-year, etc. with columns for rate and currency.

Key Money Rates

Table of key money rates for various currencies and instruments, including overnight, 1-month, 3-month, 6-month, 1-year.

U.S. Says Law Firm Aided S&L Wrongs
\$275 Million Judgment Is Sought

The Associated Press
WASHINGTON — Regulators said Monday they are seeking \$275 million in compensation from a New York law firm that represented Charles H. Keating Jr.'s failed Lincoln Savings & Loan.
The U.S. Office of Thrift Supervision alleges that the firm—Kaye, Scholer, Fierman, Hays and Handler—"knowingly aided and abetted regulatory violations by Lincoln."
It appears to be the largest judgment ever sought against a law firm involved in a thrift failure. Last April, the Resolution Trust Corp. sued another of Lincoln's law firms—Jones, Day, Reavis & Pogue—for \$50 million.
The compensation demanded is a "conservative estimate" of Lincoln losses that could have been avoided if Kaye, Scholer had complied with government regulations, the agency says.
In a statement, the law firm said it was not involved in any of the transactions questioned by regulators and that in arguing on behalf of California-based Lincoln it relied on the accounting of the savings and loan's independent accountants.
"In short, Kaye, Scholer's role was the traditional one of defending Lincoln against charges by government regulators," the firm said. The thrift office "seems intent on finding scapegoats outside the government for the Lincoln debacle," it added.
In a separate report, the agency froze the assets of the firm and of its former managing partner, Peter M. Fishbein, and the partners Karen E. Katzman and Lynn Toby Fisher. It also is seeking to ban the firm and the three partners from working for the banking industry.
The agency alleges that the law firm "recklessly breached its duties of professional competence and due care" in 1985 when Mr. Fishbein issued an opinion that more than \$750 million of Lincoln's real estate investments were legal.
It alleges that when the opinion was issued, the firm knew that Lincoln had back-dated documents to make it appear the investments were approved by the S&L's board before the rules on such investments had been changed.
The agency said the firm made misrepresentations and omitted facts in supplying regulators with information during an examination of Lincoln in 1986 and 1987.
Mr. Fisher received a \$675,000 personal mortgage loan on preferential terms from Lincoln, the agency said. And, in what the agency said was a conflict of interest, the firm represented both Lincoln and Mr. Fisher.
The firm has 20 days to respond to the charges. A hearing before an administrative law judge will be scheduled in Los Angeles, the thrift office said.
The actions are part of a 2-year-long effort by the thrift office to go after the lawyers and the accountants that advised savings and loan owners on ways to get around government rules and fight the regulators.
"Few of complex, abusive schemes that led to the failure of thrifts could have taken place without the active participation of highly skilled professionals—the lawyers and the accountants," said Harris Weinstein, chief counsel of the thrift office.
Lincoln was seized by the government in April 1989 at an estimated cost to taxpayers of \$2.6 billion. In January, a grand jury in Phoenix, home of Lincoln's parent company, American Continental Corp., indicted Mr. Keating, 68, on U.S. fraud charges.

What Price for Volga?
Bloomberg Business News

MILAN — Volga Automotive Association, the Russian automaker known as VAZ, in which Fiat plans to buy a 30 percent interest, values itself at \$4 billion, Vladimir Shumelko, vice president of the Russian parliament, said Monday.
This latest estimate contrasts with one by Bear Stearns & Co., representing the Russian government, of \$9 billion. Morgan Grenfell, the merchant bank representing Fiat, previously said Volga Automotive was not worth more than \$2 billion.
"There are difficulties in evaluating a company like VAZ," Mr. Shumelko said. He said he was certain an agreement will be reached on Fiat's purchase of the stake.
Fiat in December signed a letter of agreement with President Boris N. Yeltsin to buy the Volga Automotive stake, but has delayed completing it because of the lack of legal recourse in Russia and problems with spare parts supply.

Japan Panel Seeks Strict Cartel Law

By Paul Blustein
Washington Post Service
TOKYO — Responding to U.S. criticism, Japan took a tentative step Monday toward beefing up its antitrust enforcement as a government-sponsored study group urged a major increase in criminal penalties for companies participating in illegal cartels.
The report, prepared by a blue-ribbon panel under the auspices of the Japan Fair Trade Commission, called for raising the maximum penalty for criminal violations of the anti-monopoly law from the current level of 5 million yen (about \$38,750) to "several hundred million yen."
The development came at a time of heightened tension over the antitrust issue. Washington has long complained that Tokyo is too lax in combating corporate collusion, and that the cozy relationships among Japanese companies limit the access of foreigners seeking to penetrate the Japanese market.
Last month, Attorney General William P. Barr turned up the heat by suggesting in a television interview that the Justice Department intends to apply U.S. antitrust law against Japanese and other foreign companies that collude to block American exports.
Mr. Barr's proposal is expected to enjoy substantial political appeal, especially during this election year, although it has met strong opposition from other U.S. officials. Tokyo has criticized the idea as an unacceptable violation of Japanese sovereignty.
The report is the latest step the Fair Trade Commission has taken to change its image as a toothless trustbuster. The agency has been increasing its investigative staff and increasing the number of cases it brings against companies suspected of violating Japan's anti-monopoly law.
Last year, the commission won parliamentary approval of legislation raising to 6 percent from 2 percent the "surcharge" assessed on the sales of Japanese companies found to have participated in illegal cartels. The surcharge, which applies to revenues obtained illicitly, is designed to deprive companies of the profits they earn from collusion.
U.S. trade negotiators said the increase in the surcharge was a step in the right direction, but insufficient.

Kuwait Plans To Buy Assets

Reuters
KUWAIT — The head of the Kuwait Investment Authority said the government planned to buy assets abroad to make up for those it sold during the Iraqi occupation.
"U.S. will replace what we lost in the investment part of which was liquidated to meet the needs of the state during the occupation," Abdullah Qabandi told the Arab Al Kuwait daily in an interview published Monday. Economist says Kuwait may have spent \$35 billion during the occupation.
"Overseas assets," he said, "enabled the government to function during the seven-month Iraqi occupation."

World Trade & Investment EMERGING BLOCS & OPPORTUNITIES FOR GLOBAL GROWTH. LE GRAND HOTEL, PARIS. APRIL 2-3, 1992. Keynote address: Jürgen Möllemann, Economics Minister, Germany. Keynote address: Renato Ruggiero, Member of the Board, Fiat SpA, and former Minister for Foreign Trade, Italy. Keynote address: Jacques Attali, President, European Bank for Reconstruction & Development. Criteria for cross-border investment: The Corporate Viewpoint. Registration information: The fee for the conference is \$395.00. Registration form: To register for the conference, please complete the form below and fax it to: Jane Blackmore, International Herald Tribune, 63 Long Acre, London WC2E 9JH. Tel: (44 71) 379 4302. Fax: (44 71) 836 0717.

MARKET DIARY

Blue Chips Follow Recovery Not Rates

Stocks ended slightly higher on the American Stock Exchange and in the over-the-counter trading. The Dow Jones industrial average rose 7.60 points, to 3,275.27.

The index was led by Caterpillar, Alcoa and United Technologies, all cyclical companies whose earnings tend to fluctuate with the economy.

Orders: Data Give Dollar a Lift. The rise in the overall purchasing managers index was the first since last October, and the association's new orders index increased at the strongest rate since October 1991.

Foreign Exchange. ary, while imports declined and production grew for the ninth straight month.

Robert Bretz, who compiles the survey, said it showed that the economy had regained most of the momentum it had been losing last autumn and forecast March would show the decline in manufacturing employment had slowed.

Allen Sini of Boston Co. Economic Advisors Inc. said the purchasing managers' report and other recent figures on housing, money supply and revolving auto sales suggest a recovery of sorts in the spring, although it overstates what is about to occur.

"Manufacturing has been shrunk and squeezed down about as much as it can be, and once it has been so far down and out, it has no place to go but up,"

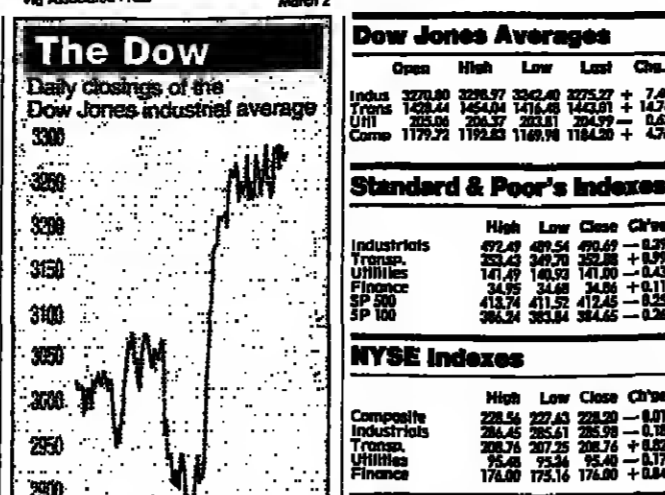


Table of Dow Jones Averages: Standard & Poor's Indexes, NYSE Indexes, NASDAQ Indexes, and AMEX Stock Index.

Table of NYSE Most Active: Lists top trading stocks like Amgen, Amgen, Amgen, etc.

Table of NYSE Diary: Lists various market indicators and their values.

Table of NASDAQ Diary: Lists various market indicators and their values.

Table of AMEX Most Active: Lists top trading stocks on the American Stock Exchange.

Table of EUROPEAN FUTURES: Lists various futures contracts like SUGAR, COFFEE, and SOYBEANS.

Table of Stock Indexes: Lists various stock indices like FTSE 100, Nikkei, and Hang Seng.

Table of Financial: Lists various financial metrics and their values.

Table of U.S. FUTURES: Lists various U.S. futures contracts like WHEAT, SOYBEANS, and CATTLE.

Digital Offers 7,000 Early Retirement. NEW YORK (Bloomberg) — Digital Equipment Corp. is offering early retirement to 7,000 employees in the United States as a step in a streamlining of the computer company.

Honda Faces a U.S. Customs Levy. WASHINGTON (AFP) — Honda Motor Co. faces a 2.5 percent levy on cars imported into the United States from Canada over 15 months because they violated U.S. local content regulations.

Procter & Gamble to Sell Italian Unit. CINCINNATI (UPI) — Procter & Gamble Co. said Monday it had agreed to sell its Italian coffee business to Jacobs Suchard Italia — a unit of Philip Morris Cos.

Bush Vetoing China Trade Curbs. WASHINGTON (Reuters) — President George Bush will veto a bill that would place conditions on granting most-favored nation trade status to China, the White House said Monday.

Lloyd's of London Wins Round in Suit. LONDON (Reuters) — Lloyd's of London said Monday a U.S. district judge had ruled that a case brought against it by three members in Chicago last year could not be heard outside Britain.

For the Record. W. R. Grace & Co. said Monday it hoped to buy the 4.07 million shares of Energy Corp. it does not own for \$16.50 a share as part of its plan to divest itself of the energy unit.

World Stock Markets

Table of World Stock Markets: Lists stock indices for various countries including Amsterdam, Helsinki, Hong Kong, Tokyo, Zurich, and others.

U.S. FUTURES

Table of U.S. Futures: Lists various U.S. futures contracts like WHEAT, SOYBEANS, and CATTLE.

U.S. / AT THE CLOSE

Table of U.S. / AT THE CLOSE: Lists various U.S. market indicators and their values.

To Our Readers

The stock market in São Paulo was closed Monday for a holiday.

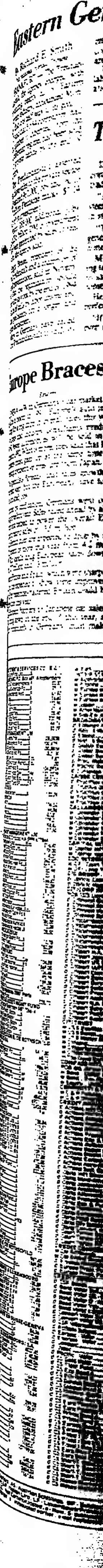
Table of Stock Indexes: Lists various stock indices like S&P 500, NYSE, and NASDAQ.

Commodity Indexes

Table of Commodity Indexes: Lists various commodity indices like Wheat, Soybeans, and Cattle.

Market Guide

Table of Market Guide: Lists various market indicators and their values.



Eastern German Privatization Half Over

By Richard E. Smith International Herald Tribune FRANKFURT — The Treubhandanstalt, the agency charged with privatizing nearly all of Eastern Germany's industry, announced Monday that it is half way to its goal.

to do this. But Ms. Breyel has proceeded with a rapid sell-off, arguing that the private sector will restructure more efficiently.

Thyssen Looks to Consumer

DUSSELDORF — Thyssen AG is considering acquisitions in the consumer goods sector to complement its existing steel, engineering and trading operations, Chairman Heinz Kriwet said.

EC's First Perrier Ruling Clears Agnelli's Exor Bid

BRUSSELS — The EC Commission said on Monday it had approved a bid by the Agnelli family's IFINT holding company for Exor SA, the largest shareholder in Source Perrier SA, the bottled water and cheese company that is at the heart of a takeover battle.

Jordan's Debt Is Rescheduled By Paris Club

PARIS — The Paris Club announced Monday that it has recommended a rescheduling of Jordan's foreign debt.

Investor's Europe

Table with columns for Frankfurt DAX, London FTSE 100 Index, Paris CAC 40, and various market indices like Amsterdam CBS 1000, Brussels Stock Index, etc.

Europe Braces for Falling Car Sales

GENEVA — With Germany's car market contracting after a boom in 1991, Europe's auto industry is bracing for a big drop in overall sales this year.

Jordan's Debt Is Rescheduled By Paris Club

PARIS — The Paris Club announced Monday that it has recommended a rescheduling of Jordan's foreign debt.

ASEA: Global and Local Strengths

(Continued from first finance page) head office was cut to 28 from 80 employees; in Germany, where...

Very briefly:

- Swiss said Monday that it was not holding merger talks with KLM Royal Dutch Airlines, following weekend speculation about such talks.

Large table titled 'INTERNATIONAL FUNDS' containing numerous fund names, their categories, and numerical values. Includes sub-sections like 'GROWTH PORTFOLIO', 'INCOME PORTFOLIO', and 'Other Funds'.

شركة المصارف

NASDAQ

Monday's Prices
NASDAQ prices as of 4 p.m. New York time. This list compiled by the AP, covering the 1,000 most traded securities in terms of dollar value, is updated twice a year.

Symbol	Price	Change
AA	1.467.82	21.3881
AB	641.93	605.06
AC	779.10	722.85
AD	620.55	612.50
AE	5,144.37	5,142.42
AF	1,171.83	1,183.67
AG	280.43	281.99
AH	1,509.73	1,499.21
AI	1,465.08	1,282.22

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

AMEX

Monday's Closing
Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
AA	1.467.82	21.3881
AB	641.93	605.06
AC	779.10	722.85
AD	620.55	612.50
AE	5,144.37	5,142.42
AF	1,171.83	1,183.67
AG	280.43	281.99
AH	1,509.73	1,499.21
AI	1,465.08	1,282.22

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Symbol	Price	Change
AA	1.467.82	21.3881
AB	641.93	605.06
AC	779.10	722.85
AD	620.55	612.50
AE	5,144.37	5,142.42
AF	1,171.83	1,183.67
AG	280.43	281.99
AH	1,509.73	1,499.21
AI	1,465.08	1,282.22

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

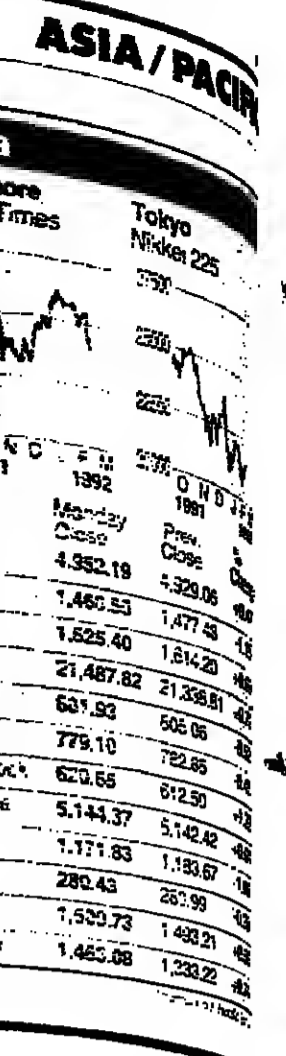
Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press



Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

Monday's closing prices up to the closing on Wall Street and do not reflect late trades elsewhere. Via The Associated Press

n Europe
Lund

ART BUCHWALD

The Washington Factor

WASHINGTON — It's no fun living in Washington during a presidential election year. All the candidates do is bash the nation's capital in spite of the fact that most of them live here. It makes good politics but bad neighbors.



"Where are you from?" I replied, "Washington, D.C." She immediately backed away as if I had said "Mike Tyson."

Michelin Gives 2d Star To 6, Demotes 12

PARIS — Michelin's 1992 guidebook for France, published Monday, maintained the status of its 19 three-star restaurants, but demoted 12 two-star establishments while adding 6 to trim the category to 81. One-star restaurants grew from 495 to 502.

The Outsider at the Welsh Opera's Helm

By John Rockwell New York Times Service

CARDIFF, Wales — Nearly every major British opera company has had a new chief administrator appointed in the last year. But no appointment caused greater comment than that of Matthew Epstein in August as general director of the Welsh National Opera.

This is partly because the Welsh National is the most prestigious and accomplished of Britain's regional companies. It's partly because Epstein is a famous opera in the international world of opera. But it's also because within the clubby world of British opera, Epstein is an outsider: an American, a New Yorker and a homosexual who tested HIV positive six years ago.



Matthew Epstein for The New York Times

Epstein's latest project was one of those grandiose operatic gales that are among his many specialties: an all-star Rossini celebration at Avery Fisher Hall on Feb. 29, the 200th anniversary of Rossini's birth. It featured Jane Anderson, Marilyn Horne, Frederica von Stade, Samuel Ramey and was conducted by Roger Norrington. Epstein, 44, hardly looks sickly. Indeed, ruddy and intense, he seems to relish break-neck schedules and superhuman challenges. "It helps in my situation to push yourself," he said in an interview just before leaving for New York. "To exhaust yourself — without being idiotic about it, of course. Yesterday I just threw everybody out of my office. I was tired."

As a manager and consultant, Epstein is renowned not just for his operatic knowledge but also for his sympathy in guiding his charges' careers in ways that are not merely mercenary, but for encouragement of conservative American companies to undertake unusual repertory and venture-some production styles.

ANNOUNCEMENTS THE HIT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE

INTERNATIONAL CLASSIFIED REAL ESTATE TO RENT/SHARE PARIS AREA FURNISHED

EMPLOYMENT EDUCATIONAL POSITIONS AVAILABLE WE ARE LOOKING FOR a headmaster of a private school

ADMINISTRATIVE/SECRETARIAL POSITIONS EXECUTIVE SECRETARY & ADMINISTRATIVE ASSISTANT

BUSINESS MESSAGE CENTER BUSINESS OPPORTUNITIES

WHY RENT SPACE WHEN YOU CAN RENT AN OFFICE IN PARIS

Place Your Classified Ad Quickly and Easily

GR Interim Services is proud to announce its 12th anniversary in 1992!

POSITIONS AVAILABLE AMERICAN COMPANY No 1 in its field

Solution to Puzzle of March 2

Crossword puzzle grid with clues

Vertical advertisement for 'Peril of Shocking Europeans' and 'U.S. Mafia'